

KEMI-TORNIO UNIVERSITY OF APPLIED SCIENCES

Cultivating customer advocacy by stimulating the most critical touchpoints

Case of ALSO Finland Ltd

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ABSTRACT

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This thesis focuses on touchpoint management and the objective is to cultivate customer advocacy by improving the most critical touchpoints between the case company and its customers. The objective of the research is to find out why resellers purchase from ALSO, and what touchpoints ALSO should improve to be able to meet its customers' expectations and needs. The research questions for this thesis are as follows 1) How well the most critical touchpoints of ALSO's HP team's each module differ from its competitors? and 2) How is it possible to improve the most critical touchpoints to enable ALSO's HP team to cultivate customer advocacy?

The methodology used in this thesis is based on quantitative and case study research methods. An online survey to resellers was implemented quantitatively. Action plan, which is created according to the results of the survey, follows the case study research method. The theoretical framework of the thesis is based on the theory of touchpoint management.

As a result of the research, the most critical touchpoints which differentiate ALSO from its competitors were found. The research also shows which touchpoints are recommendable to be improved to meet customers' expectations.

As a conclusion, an action plan which improves the touchpoints is created. Objective of the action plan is to support ALSO to stimulate its touchpoints to be more competitive. Chapters 4 and chapter 5 are classified as confidential and therefore they are not published in their full length in the Library version. Appendices are not published in the Library version as well.

Keywords: touchpoint, customer experience, customer emotion, customer loyalty, customer advocacy, touchpoint mapping.

CONTENTS

ABSTRACT

1 INTRODUCTION	5
1.1 Motivation and Background.....	5
1.2 Research Objectives and Research Questions.....	7
1.3 Structure of the Thesis	9
2 RESEARCH METHODOLOGY	11
2.1 Quantitative Research Method.....	11
2.2 Case Study Research Method.....	13
2.3 Data Collection and Analysis.....	15
2.3.1 Sampling	18
2.3.2 Analysis.....	19
3 TOUCHPOINT MANAGEMENT	21
3.1 Customer Experience Creates a Company's Success	21
3.2 Touchpoints during the Customer Relationship Lifecycle (CRL)	26
3.3 Customer Loyalty and Advocacy.....	29
3.4 Brand Value	33
3.5 Touchpoint Mapping.....	34
4 ALSO FINLAND LTD	38
5 IMPLEMENTATION OF THE RESEARCH PROCESS.....	39
6 CONCLUSIONS.....	40
REFERENCES.....	42

1 INTRODUCTION

In this chapter, the background and the objectives of this thesis are presented, and the research questions defined. Finally the structure of the thesis is explained.

1.1 Motivation and Background

According to an old Finnish saying, a chain is as strong as its weakest link. This phrase can be utilized in business life as well: a company is as strong as its weakest link. To be able to be competitive, companies should know their competitive environment. Competitive environment considers not only competitors but even more important is to know customers. Touchpoint management provides an efficient possibility to study customers since it concentrates on customers' experience of different touchpoints between a company and its customers. (Spengler 2008.) By knowing these touchpoints, a company is able to improve its weakest links and meet its customers' expectations.

The case company of the thesis is ALSO Finland Ltd (henceforth ALSO). ALSO is a Finnish wholesaler in IT and home entertainment business field and the company has gained a market leader position in the domestic markets. ALSO is headquartered in Tampere and the company was established in 1995. Nowadays ALSO is a part of a large European corporation ALSO-Actebis AG. (ALSO 2011f; 2011h.)

I have worked at ALSO for almost three years now and my personal involvement in the company was a strong motivator to accomplish my Master's Thesis to ALSO. As I am currently working in Hewlett Packard (henceforth HP) team, it was a logical choice to concentrate on this team in my thesis. This thesis deals only with ALSO's HP team because HP is the biggest vendor of ALSO – about 60-70% of the company's turnover comes from HP products (Vikki 2011). Therefore it is extremely important to have specific information especially about the HP team. If this study was made generally about all ALSO's vendors, i.e. the company has over 100 different vendors, the decision making according to the results would have been too universal and misleading and it would have been difficult to localize what produces results in which team (ALSO 2011f). This specific study of the HP team provides a functional tool for improving

services of other teams. The study can give creative ideas of how to improve the services. Since the routines and employees who are responsible of certain touchpoints differ a lot in teams, the study of the HP team cannot be utilized 100% with any other team.

The HP team consists of three different modules: Personal Systems Group (henceforth PSG), Imaging and Printing Group (henceforth IPG), and Enterprise Servers, Storage, and Networking (henceforth ESSN). The main focus of PSG is in laptops and table computers, IPG focuses on printers, and ESSN on servers, storage and networking. (ALSO 2011b, 8, 25-26; Masalin 2011.) 16 employees are working in the HP team but many other employees from other teams, for example from sales, logistics, marketing, and financial departments, are in strong interactive relationship with HP resellers as well. There are two main customer groups for the HP team: business to business and business to consumers. B-to-B customers are either dealers, which resell HP products to organizations, or corporate companies and chains. B-to-C customers are retail chains and retail markets. (Vikki 2011.)

The background of this thesis is based strongly on my personal interest in the quality of customer service. Touchpoint management has several benefits but is still a comparatively unknown term. I was interested in to study how useful the touchpoint management could be for a company in practice. I found that it was possible to provide a valuable research to ALSO by studying these aspects more in depth. High quality in customer service is important to the company; ALSO's daily business philosophy focuses on providing more customer value than the competitors. Touchpoint management is not everyday language in the company despite the fact that it is unknown term neither. Touchpoint management is the main theory of this thesis since the representative of ALSO and the researcher agreed touchpoint management being a functional tool to study customer experience and the reasons for ALSO's certain market position in the domestic markets. (Vikki 2011.) The research enables ALSO to put effort into its strengths and become more competitive in addition to seeing its weakest touchpoints and consider how to improve those.

Touchpoint management was chosen as an approach to study ALSO's HP team's customers since touchpoint management was found to be an efficient method to get valuable knowledge about the team's services compared to its competitors from the most important point of view, i.e. the customers. Touchpoint management provides new channels for innovations. Through touchpoint management it is possible to highlight what enhances and detracts a desired customer experience. Touchpoint mapping provides also a possibility to evaluate the services of competitors and through it determine how competitors' services and the logistics of the products meet the customers' expectations. Through touchpoint mapping can be received clear results of resellers' experiences of the company's services and this knowledge supports ALSO to improve its competitive differentiation. The results are immediately ready to use and those support ALSO to provide more added value to both customers and HP. The focus of typical marketing research is only on marketing and customer relationship marketing (CRM) systems themselves rather than customer experiences or touchpoint interactions (Clatworthy 2010, 2). This thesis differs from this type of marketing research and concentrates specifically on customer experience with a specific focus on customer value and profitability of ALSO's HP team.

1.2 Research Objectives and Research Questions

The objective of the research is to provide ALSO a possibility to reinforce its value proposition with the customers and employees since every interaction is of high importance. Through this research ALSO is able to raise the quality of the most critical touchpoints between the HP team and its customers in order to cultivate customer advocacy. Everyone in the company is responsible to deliver valuable customer experience. Customer experience and engagement is a core competency that every company is recommendable to gain for. (Patterson 2010, 4.)

ALSO's top priority is in customer benefit. The company's daily business philosophy and five principles follow this priority carefully. (ALSO 2011h.) ALSO's top priority, i.e. customer benefit, is the main reason for this research to focus on customers.

This thesis improves customer value – the value that customers gain when purchasing from ALSO. The thesis increases the amount of advocate customers by providing ALSO an action plan which provides a possibility for the company to differentiate from its competitors. The action plan is possible to provide as a result of touchpoint mapping, which clearly shows the most critical touchpoints in the business between the HP team and its customers. Through this research the brand of ALSO could be strengthened. As a result, the thesis provides ALSO a new possibility to gain bigger market share and increase profitability through concentrating on right touchpoints and providing added value to its customers. The more value the customers, i.e. resellers, get, the more their customers, i.e. end-customers, benefit as well. The more increasingly value ALSO is able to provide to its customers, the more loyal the customers become to ALSO, and the better cooperation ALSO and HP are able to do.

Loyal customers mean more market share and bigger turnover, since customer satisfaction is not enough: customer loyalty is the key for success. Because a loyal customer purchases from one company only, loyalty is a significant goal. Satisfied customer is not yet loyal but he can buy from competitor as well. Therefore customer loyalty is important. Touchpoint management provides a great possibility to reach customer loyalty because it studies the competitive environment from the customers' point of view. (Intervox Group 2005, 10.) An ordinary survey of customer satisfaction is not enough since it does not tell 'why' customers buy from a certain company. When studying touchpoints this will be the main finding of the research, since customers' most positive experiences are the reasons for their purchasing behavior (Intervox Group 2005, 13). To know the reasons for customers' purchasing behavior is significant knowledge for any company.

After the main objective of the thesis was agreed on with the representative of the case company, the following two research questions were defined 1) How well the most critical touchpoints of ALSO's HP team's each module differ from its competitors? and 2) How is it possible to improve the most critical touchpoints to enable ALSO's HP team to cultivate customer advocacy? To be able to answer the first question, the research should be carefully created. To have correct touchpoints chosen in the questionnaire is important in order to receive realistic results. The results of the research

show how positive or negative experiences customers have about ALSO's services. Therefore after the research it will be known what to improve to be able to gain more benefits. Whether there is enough differentiation between ALSO and its competitors, and whether the touchpoints of ALSO and its competitors are experienced too similarly, are significant information to know. The second question focuses on action: what kind of improvements to do concrete to enable ALSO's HP team to gain more customer loyalty which increases the market share and finally leads to bigger turnover at ALSO. Action plan was created. Short-term action plan's objective is to provide immediate results. Long-term action plan is created to support short-term action plan's results but improve innovativeness in touchpoints as a permanent change as well. The research questions will be answered on the whole in chapter 5. Since the chapter 5 is classified as confidential, the results are not published through the databases of Kemi-Tornio University of Applied Sciences.

The methodology of this thesis was chosen in order to receive answers to the research questions. The methodology is based on two methods. First, the research was mainly done by following a quantitative research method, since the main evidence of the research is the quantitatively implemented online survey of the customers. Another main method in this thesis was case study research method. This research is valuable only for one certain occasion and it is not reaching for generalization. Therefore the case study was a logical choice (Yin 2009, 190). Data collection and analysis were implemented according to these two methods.

1.3 Structure of the Thesis

First, the research methodology is presented and justified in chapter 2. In chapter 3, the theoretical frame of the research is described from the point of view of touchpoint management. Chapter 4 introduces the case company and the case team of it.

In chapter 5, the implemented research process is presented. The research was conducted on reliance on a combination of the theories of Heikkilä (2004) and Ellet (2007). The results of the research are presented and analyzed. Both short-term and long-term action plans are created and introduced. Finally, the conclusions chapter

summarizes the research. Chapters 4 and 5 are classified as confidential. Therefore chapters 4 and 5 are not published in the library version.

2 RESEARCH METHODOLOGY

In this chapter, the methods chosen for this thesis are defined and justified. The methods are chosen on the basis of their relevancy for this research. Also my own interest and strengths affected in the choice.

According to Patterson (2010, 1-2), there should be focused on three most important factors in a research and these factors were taken into account when the research methodology was chosen. First, the key touchpoints between ALSO's HP team and its customers were identified. Secondly, the effectiveness of the touchpoints was measured by online survey, and thirdly, the results of the survey were illustrated in a map of a customer experience. (Patterson 2010, 1-2.) Only by knowing the most critical touchpoints the quality of services is possible to be improved in order to meet customers' expectations. By knowing the most critical touchpoints and their performance it is possible to provide more value to the customers when they are using ALSO as their wholesaler.

2.1 Quantitative Research Method

Since this thesis is based on an empirical, i.e. experiential, research, the best way to collect data was quantitative. Quantitative data is possible to illustrate in a graphic mode while qualitative results would have been difficult to transfer in to a diagram. In touchpoint management it is essential that the peak points, i.e. the most positive and negative touchpoints, can be easily seen and the results are easy to compare to competitors' results. Since the questionnaire of this research was implemented quantitatively as an online survey (Yin 2009, 19; Heikkilä 2004, 13) and it provides the most important data for the research, quantitative research is the main method used in this thesis. Since the questionnaire's answer options were limited from 1-5 and those could not be answered in own words, the results of the research were quantitative. Qualitative research method was used as well since the most of the data collection and analysis were implemented qualitatively, i.e. interviews, literature and observation, and

research questions needed to be answered qualitatively. The respondents were able to give feedback in own words in the questionnaire as well.

Quantitative research is causal because it focuses on cause and effect. Quantitative research method concerns statistical data collection through research which is studied and analyzed. (Shuttleworth 2008; Heikkilä 2004, 15.) In this research the reasons for customers' purchase behavior can be defined. To know why customers buy from a company is not unnecessary information. To be able to categorize the results according to certain variable, the response rate should be large in order to the results can be interpreted as reliable (Heikkilä 2004, 15). There are four different variables in this research: localization and size of an organization, respondent's position in an organization, and organization's main business field.

Quantitative research method is used when the phenomenon is described after numerical knowledge. Quantitative research method is common to use in standardized questionnaires with certain answer options. Quantitative research does not tell the reasons but it concerns only about current situation, which can sometimes cause misinterpretation. (Heikkilä 2004, 16-17, 33.) In touchpoint management quantitative research method is the most useful channel of the research. If this research was implemented qualitatively with open-ended questions or by interviews, there could not have been a possibility to see the most critical touchpoints but only a mass of different opinions. That kind of data would have been challenging to put in any conclusive format and it would have provided irrelevant knowledge in the point of view of touchpoint management. In an online survey respondents can stay anonymous and they can more easily share their actual opinions without thinking about how it can affect in the cooperation with ALSO. An online survey provides a possibility for rapid solutions since answers can be received expeditiously and the interviewer has no influence in the answers. (Heikkilä 2004, 20.)

The following stages of quantitative research process in figure 1 are followed in this thesis and the stages create the main frame of this research. When the results were analyzed, Ellet's frame of case study analysis was used. The results of the research are

further discussed in chapter 5. As chapter 5 is classified as confidential, the results are not published in the library version

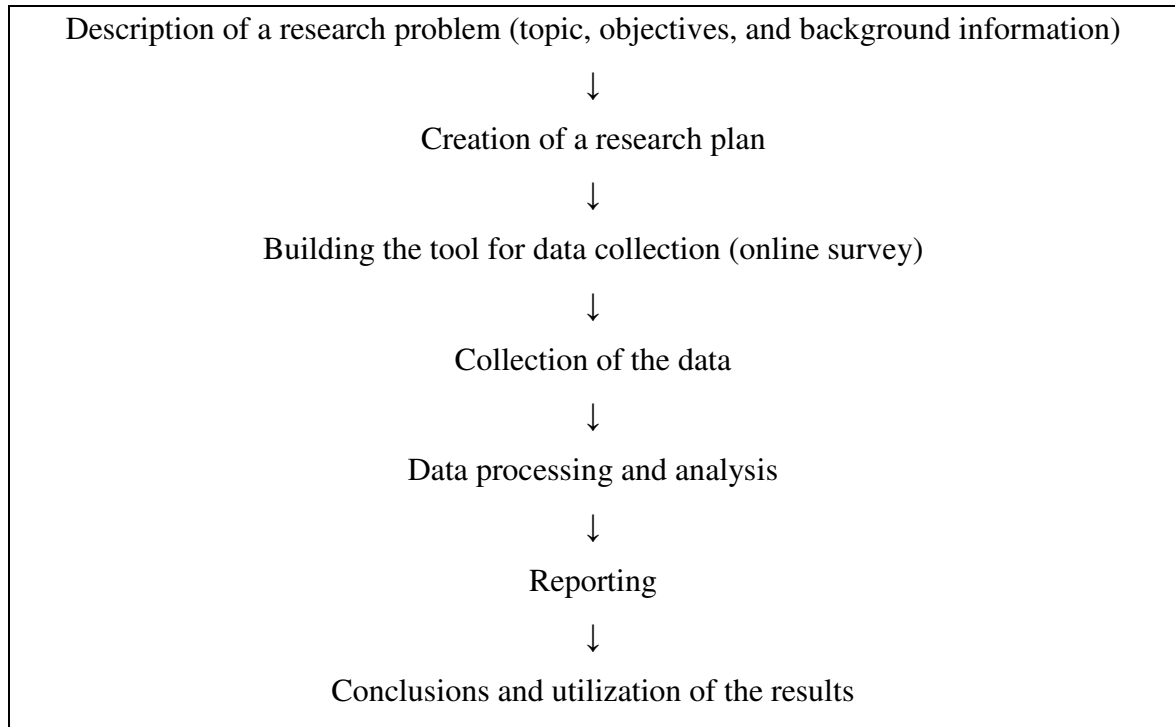


Figure 1. Stages of quantitative research process (Heikkilä 2004, 25)

2.2 Case Study Research Method

Since this thesis was specified to one case company, a case study research was a logical choice as another research method for this thesis. Case study research method is not as significant method as quantitative research method in this thesis but some elements of case study research method was used. William Ellet's theory of case study research was used as a spine for creating a research plan. The thesis is categorized as a single-case study (Yin 2009, 190) since the research is concerning one team of the case company, and generalization is not a goal of this research. Touchpoints differ a lot in every organization and what is emphasized in this thesis may not be the correct choice for other companies. Actually the data of the results cannot even be utilized in one's own right in other teams inside the case company either since the research is specified for one certain team only: the routines of each team differ and different employees are

responsible for certain touchpoints. The HP team's touchpoints are personalized to certain employees. However, the study can give creative ideas for improving the services of other teams.

SERVQUAL research method, which examines the gaps between perceived and expected service quality, would have provided an interesting channel to research service quality of ALSO's HP team but its technique could not provide the results that this research was seeking (Zeithaml & Parasumaran & Berry 2011). Action research would have provided an interesting point of view as a method for this thesis as well since action research is a channel to develop new knowledge in order to create a concrete change. (Heikkinen & Huttunen & Moilanen 1999, 33; Kuula 1999, 10.) This actually was the objective of this thesis since more customer loyalty was desired to be reached through studying the touchpoints between the case team and its customers. By creating new knowledge and innovations and a concrete action plan on the basis of the results of the research, this goal was aimed to be reached. The objective of the action research is to develop a new way of approaching specific matters (Heikkinen & Huttunen & Moilanen 1999, 33) and in this thesis the quality of the most critical touchpoints was wanted to be enhanced in order to gain desired goals. But one basic definition of action research method could not be filled: everyone involved in this research should have been actively participating and improving the activity and its implementation. (Heikkinen & Huttunen & Moilanen 1999, 33). This research is more like spadework for this kind of active action and such cooperation was not implemented during this research.

The case study is a distinctive form of empirical inquiry which investigates a contemporary phenomenon in depth. The case study can provide important evidence to complement experiments. The case study inquiry copes with the technically distinctive situation, which relies on multiple sources of evidence, and which benefits from the prior development of theoretical propositions to guide data collection and analysis. (Yin 2009, 14-18.)

According to Yin (2009, 3-4), the case study begins with careful study of literature and defining the research questions. The most important criteria for using the case study research method are research questions: can the case study be a relevant method in order

to get answers to research questions? If there are ‘how’ and ‘why’ expressed in research questions and if the questions require extensive description of some social phenomenon, the case study research is usually relevant method to use. ‘How’ and ‘why’ are asked about a contemporary set of events and over which the investigator has little or no control. When using the case study research method, the research should answer the questions ‘what’, i.e. position statement, ‘why’, i.e. arguments, and ‘how’, i.e. action plan. Action plan should include both short-term and long-term plans. (Ellet 2007, 102-116.) An online survey does not give answers why respondents have certain experiences and opinions but a survey gives a perfect answer why the respondents purchase or do not purchase from a company.

After comparing different research methods to each other and after choosing the case study research as a second method for the thesis, the data collection and analysis methods were important to be defined more carefully on the basis of the frames of these two main methods.

2.3 Data Collection and Analysis

Data collection and analysis were mainly determined according to the quantitative research method. Data collected only for this research is called primary data (Heikkilä 2004, 14). Primary data was collected through the online survey of customers and interviews of the key persons at ALSO.

As discussed in the previous chapters, the questionnaire was implemented quantitatively. The questionnaire was implemented through Webropol online tool and the questionnaire was sent to the resellers of ALSO’s HP products in Finland. In the questionnaire, 24 most important touchpoints between ALSO’s HP team and its resellers were chosen to be estimated. The respondents were asked to estimate how they experience each of the touchpoints. The scale was given from 1-5 when 1 was totally negative (poor) and 5 the best possible (excellent). The results were numerical and an average of each touchpoint was calculated. Finally, each touchpoint was situated in emotional graphs which showed the curve of touchpoint quality of ALSO’s HP team.

According to Yin (2009, 114-124), there are three principles of data collection. The first principle is to use multiple sources of evidence. The multiple source aspect was taken into account both in theoretical and empirical part of the research. Quantitative research focuses on large sampling in order to receive a high response rate. The fact that different kinds of customer groups were presented was taken into account - it was important to receive answers from every kind of customers. A space for free comments in the questionnaire provided a qualitative channel to get more evidence. A possibility for free comments gave for respondents a valuable opportunity to identify touchpoints that were not presented in the questionnaire.

Another principle was to create a case study database since database increases the reliability of the case study. The researcher's own notes, for example interviews, usually are the most common component of a database. It is important that the database is stored in a way that another person is able to retrieve the database efficiently at some later date. The documents collected during the research are important data to store carefully as well. Tabular materials, like data from a survey, and narratives, such as open-ended answers to the questions, should be stored well in computer files. (Yin 2009, 118-122.)

The third principle is to maintain a chain of evidence in order to increase the reliability of the information. This signifies that every part of a chain should be linked to each other in order to avoid separate evidences which cannot be connected to other evidences. (Yin 2009, 122-124.) The maintaining of evidence was implemented in this thesis by taking carefully into account that there are no separate evidences used but everything is linked in the same chain. Figure 2 illustrates the third principle.

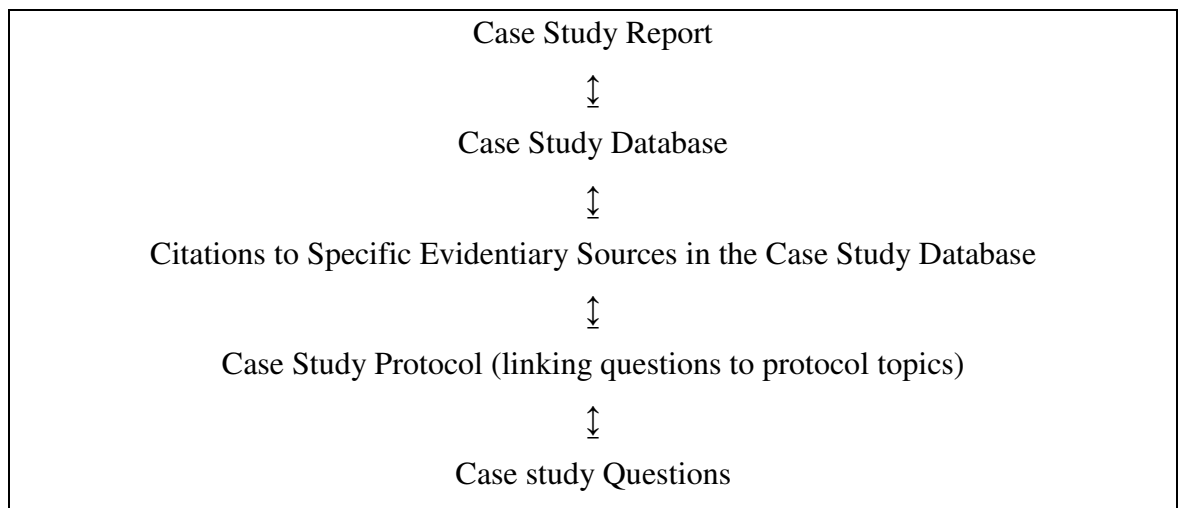


Figure 2. Maintain a Chain of Evidence (Yin 2009, 123)

The qualitative research method was used in data collection through the literature view of the theory. The background work for the research was implemented qualitatively as well. The research questions aim at qualitative answers and therefore the quantitative results of the research have been described qualitatively as well.

The research was implemented by following Heikkilä's Stages of Quantitative Research Process (2004, 25). The stages were illustrated in the figure 1 in chapter 2.1. First, the research problem, i.e. topic, objectives, and background information, was described in chapter 1. Next, the research plan has been created in chapter 2. Since ALSO's customers were studied, different tools were compared and the most effective one chosen. Touchpoint management was chosen as for a tool for this research, since despite the fact that touchpoint management is not very well-known method yet, it provides efficient way for rapid solutions. The next step was to build the tool for data collection, which in this research was an online survey for the resellers of HP products. As many respondents as possible were desired and therefore the questionnaire was sent to 1034 email addresses. The questionnaire was sent to several persons in one company in order to avoid one person to represent an entire company. The survey concerned personal experiences and emotions which can differ inside a company. To get answers from different points of view was found important since one person does not necessarily have experience about every touchpoint.

The data was collected after the questionnaire was ready. The research was done through Webropol. Webropol is a tool for data collection and analysis (Webropol 2011). The questionnaires were sent via emails on 8 November 2011 and the replies were asked to be given latest during 11 November. Reminder of the survey was sent to all respondents in the morning of 11 November.

After the online survey was done, the results of the survey were processed and analyzed. The data processing and analyzing are more deeply described in chapters 5.3 and 5.4. Also reporting and conclusions are included in the chapters. In chapters 5.5.1 and 5.5.2 action plans, both short-term and long-term, are presented. Since the chapter 5 is classified as confidential, the results are not published through the databases of Kemi-Tornio University of Applied Sciences.

2.3.1 Sampling

Research can be either a total research or a sample survey. The population should be known before a sample group can be chosen. (Heikkilä 2004, 14, 33.) This research was implemented as a sample survey because the population was large and representative sample was possible to collect.

The sampling was implemented by simple random sampling. The researcher gathered up email-addresses of the customers during the autumn. There were no any certain criteria to be sampled but anyone who cooperates with ALSO's HP team could have been sampled. (Emory 1985, 280; Heikkilä 2004, 36.)

According to Emory (1985, 277-301), there are certain criteria of a good sample. First, sample should be accurate. This was taken into account by collecting the names of the customers of HP products only, also the ones who can assume to give underestimated or overestimated answers. Second criterion is precision. This was taken into account by taken care of that different customer groups, i.e. B-to-B and B-to-C, were presented in the sample group. Enough similarity among the elements (variable) should exist in a population which the sample represents. This was taken into account in this research as well.

2.3.2 Analysis

Data preparation is divided into editing and coding (Emory 1985, 319-325). First, the raw data was edited. In this research this signifies that the results of the survey were collected and the average result of each touchpoint calculated. In coding the results are placed in a graphic mode in order to be able to compare the results easily to each other. This emotional curve graph illustrates clearly the strengths and weaknesses of the touchpoints. The curve is easy to compare to the competitors' results. From graph it is possible to recognize which touchpoints affect the most in resellers' decisions from which company to purchase. The curve illustrates the main reasons, i.e. the peak touchpoints, why the resellers buy from ALSO. The research shows how each touchpoint is experienced by the customers during their purchasing lifecycle at ALSO, and how the touchpoint experiences differ from ALSO's competitors' results.

According to Yin (2009, 99), there are six sources of evidence in a case study: documentation, archival records, interviews, direct observation, participant-observation, and physical artefacts. Yin (2009, 100) instructs, that enough amount of data is collected when confirmatory evidence from two or more different sources for most of the main topics is gathered, and when the evidence includes attempts to investigate major rival hypotheses or explanations. Researcher should decide which sources of evidence are relevant to use in a research since there is no need to use every sources of evidence in every research. (Yin 2009, 113-114.) In this thesis the sources of evidence were both face to face and distant interviews and direct observation. Theory of the thesis is based on several references. Current information about the case company was received by interviewing the key persons at ALSO. The touchpoints of the questionnaire were mainly chosen by the researcher but the representative of ALSO had influence in the selection as well. The strengths of the interviews were that those were targeted and insightful – the interviews provided perceived causal inferences and explanations and those focused on this case study. Direct observation, which was mainly implemented through the survey of ALSO's HP team's customers, was an efficient tool since it covered events in a real time and only about this one case. (Yin 2009, 102.)

After editing and coding the results, the current emotions of customers per each touchpoint could be seen. Since the research focused on personal emotional experiences, the average was the most significant data - there was no need to categorize the answers according to, for example, the location of the customers' companies. If the average feeling was negative, there was a need to improve this touchpoint. From what kinds of companies the answers came from was interesting to see. It was desirable that the respondents were from variable backgrounds in order to receive reliable results. Therefore, the respondents answered for certain background information.

After the results were analyzed, both short-term and long-term action plans were created since, according to Ellet (2007, 112-116), action plan should include both short-term and long-term plans. The purpose of the action plan is to suggest how ALSO could improve at least the most critical touchpoints to be able to gain more benefits. By improving these touchpoints the company is able to gain more customer loyalty which could lead to greater market share and better financial outcome.

As summarized, the methodology of this thesis is based on a combination of the quantitative research method and the case study research method. The case study research method has mainly been utilized in creation of the action plan. The main frame of this research has been created according to the quantitative research method.

3 TOUCHPOINT MANAGEMENT

The theoretical framework of this thesis is based on the theory of touchpoint management. In this chapter, touchpoint and touchpoint management are described and the importance of those to organizations well-justified. The theory of the thesis is based on different articles about touchpoint management, customer experience, customer loyalty, and customer service. The main references are from the book of Managing the Customer Experience from Smith and Wheeler (2002). Many articles have been used as a reference as well. Since touchpoint is still a relatively unknown term, there are not many books available that are focusing on touchpoints. But since many interesting articles could be found, a versatile and comprehensive picture about touchpoints and touchpoint management could be created.

3.1 Customer Experience Creates a Company's Success

The history of customer oriented marketing began in the middle of 1970's. Customers got more independent and they were demanding more than mass production. Customers desired service, improved product range, and high-quality and unique special products. In 1980's, the demand of high-quality increased and customers sought increasingly good services. (Lahtinen & Isoviita 1999, 11.) According to Lahtinen and Isoviita (1999, 48), Finnish people are challenging customers since they do not give any clear positive or negative feedback. The most common way to give negative feedback is silently 'walk away'. Only a company which studies customers' experiences is able to provide what customers want. Good customer service is a capability that everyone can learn. The following statements are good to internalize:

People do not want to

- be abused
- be criticised, hurt
- become a laughing-stock
- be persuaded
- be truckled

- be targets

People want to be

- valued
- accepted
- respected
- listened
- serviced
- involved in

(Lahtinen & Isoviita 1999, 48.)

According to Hellman and Värilä (2009, 19-20), decade ago demand exceeded supply significantly and companies were able to operate successfully without taking their environment significantly into account. Nowadays, supply is much larger than demand, the wealth of customers has increased, and multiple channels have provided more power to customers. The purpose of a product has decreased and environment has more influence in a company. To be able to manage in a changing competitive environment, a company needs to observe external knowledge as well as connect internal and external information with each other. This requires a company to well-understand the operations inside the company, the development of its competitive environment, i.e. customers, and, most important, what is the relationship between internal and external factors. (Hellman & Värilä 2009, 19-20.) Touchpoint management is a tool which supports companies to success in these challenges.

A deep understanding of markets, customers, products, and processes becomes vital to the creation of customer value and strategic advantage (Hiebeler & Kelly & Kettelman 1998, 47). Customer service is no more traditional support function of a company but a real competitive factor which should be functional and well-developed. Practically, customer service is a core function of a company which is supported by different support functions, such as marketing department. To be humble in front of a customer is important and a company needs to be prepared for surprises - that implements right kind

of attitude in customer service. One should never suppose to know everything about customers but one's knowledge should be sufficient. (Aarnikoivu 2005, 50-51.)

“Experience is everything” (Smith & Wheeler 2002, 1). Customers' experiences of a company's services define why they buy from a company – or why not. The prerequisite of a company's operations is a buying and paying customer (Aarnikoivu 2005, 13). Market share is not an outcome only of a certain price level a company provides but market share is a sum of customers' experiences and feelings about the company's services. This emotion is created on the basis of the quality of the most critical touchpoints from the customer point of view. Companies often have very little clear information of the markets from customer point of view which weakens the strategy and activities of a company. Not knowing the customers also makes it harder to allocate investments in a targeted manner to those touchpoints with the greatest return on investment (ROI). (Spengler 2008.)

Touchpoint is a relatively new term. Touchpoint includes all physical, communication, and human interactions that customers experience during their relationship cycle with a company. Each touchpoint, whether it is an email or a company's websites, creates an impression, good or bad, that creates foundation for customer's opinion of a brand and an organization. (Intervox Group 2005, 5-6.) Touchpoint is determined as a point (what/who) that is touched via any channel (when/where/how) for a purpose (why). Touchpoint is every point of interaction, internal and external, seen and unseen. (CustomerThink Corporation 2011, 2.) Touchpoints are the contact points at which customer and brands come into close contact and the brand promise comes to life (Spengler 2008). Touchpoint management concentrates on customers' experiences and feelings about a company and its brand. Therefore touchpoint management is a significant tool for every company - it tells which touchpoints customers experience to be crucial for their decision making.

To invest in every customer in order to be able to create efficient and successful long-term partnerships is significant for a company's management. Globalization and rapid changes in a competitive environment force companies to develop their management capabilities of strategic partnerships. (Storbacka & Sivula & Kaario 2000, 16-17.) To change customer centricity to practical customer orientation in every operation of a

company is challenging since purchasing and selling operations are getting increasingly complicated. (Aarnikoivu 2005, 13-16; Storbacka & Sivula & Kaario 2000, 17.)

To be able to show respect for a customer, a company should provide win-win. There is no more seller and buyer but partnership. Information society is continuously developing and customer more demanding, more critical, and more disloyal. A company should be able to provide both high-quality customer service and low prices, which is very challenging but, which every company needs nowadays to gain for. Customer service is a contact between a customer and a person who interpret his employer's values. Customer service is a touchpoint which illustrates the fulfilment of the whole company's customer orientation. (Aarnikoivu 2005, 13-16.) The following figure 3 shows how remarkable purpose positively experienced customer service has.

<p>1% death (physical, bankruptcy)</p> <p>3% removal to another location</p> <p>5% the change of buying behaviour</p> <p>9% too high prices</p> <p>14% low technical quality of the products</p> <p>68% low quality of customer service</p>

Figure 3. The reasons for losing a customer (Aarnikoivu 2005, 22)

According to Patterson (2010, 1), increasingly different evidences suggest that there is a link between a customer experience and a financial success of a company. Building strategies and HR policies are too often rationalized only by numbers: if turnover is x and profit is y, strategy is z. Instead of the fact management, which has been strictly followed for example in Nokia, more person-oriented culture is recommendable to be followed. The negative result of Nokia's management could be seen, since instead of humanity, value management, and person-oriented culture the company concentrated on mechanical management thinking, where numbers and figures were the most important meters to use. (Kokko 2011.) Companies easily forget to think about their outfit from a customer's point of view. Customers do not form their feelings about a company on numbers but experiences - the quality of the most critical touchpoints is the most important factor in customers' experiences about a company. Therefore it is important to

understand how each touchpoint contributes to the overall customer experience because an issue encountered at any of these points can dramatically influence the overall experience. The objective of a company which is interested in to leverage customer experience as a competitive advantage is to create a positive and consistent experience at each touchpoint. (Patterson 2010, 1-2.)

Customer experience is not only about optimizing individual activities but, above all, creating and managing an entire world of experience. The objective of this is to raise the quality of every touchpoint to be able to secure the customer relationship. To understand that also indirect communication matters is extremely important (Spengler 2008.) The sum of all experiences from touchpoint interactions color customers' opinion of a company and its services (Clatworthy 2010, 1).

Leadership is a key to successfully change an organization into one that delivers a Branded Customer Experience. Leaders should be created at every level. (Smith & Wheeler 2002, 88-89.) As illustrated in the following figure 4, by focusing on leading indicators, i.e. people, product/service offering, and process, customer growth goals, i.e. revenue growth, market share, profitability, and shareholder value, can be reached. Concentrating on right functions can cause remarkable benefits for a company.

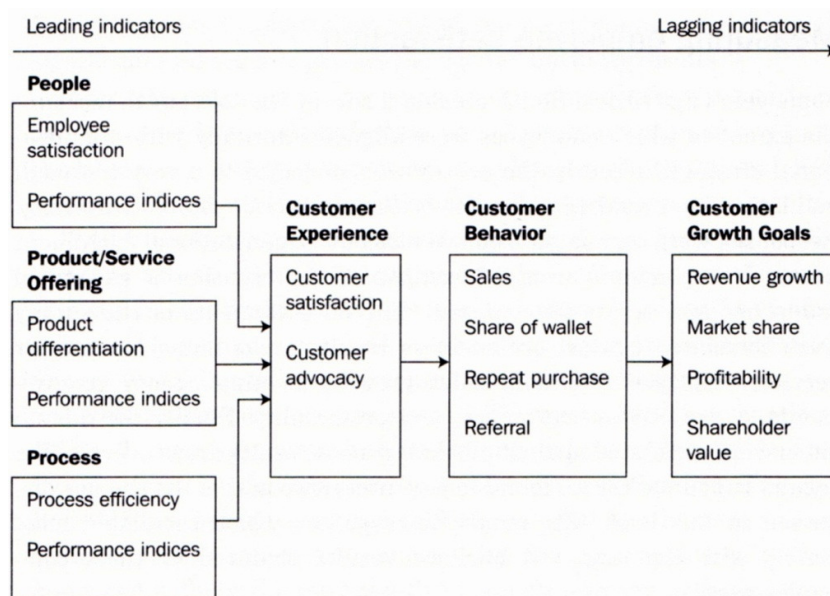


Figure 4. Measuring the Branded Customer Experience (Smith & Wheeler 2002, 83)

3.2 Touchpoints during the Customer Relationship Lifecycle (CRL)

The customer experience process encompasses the moment a customer becomes aware of a company and is comprised of multiple independent interactions, transactions, and contacts along the way. Touchpoints begin long before a customer makes a purchase and long after he has made his first transaction. (Patterson 2010, 2.)

According to Aarnikoivu (2005, 24), a customer relationship can be seen as a staircase where a potential customer is on the lowest level and a loyal customer on the highest. Every company's objective is to have as many loyal / advocate customers as possible since loyal and advocate customers purchase only from one company in order to bring Euros to that company. A company has both potential and already existing customers, and to concentrate on both of these customer groups is extremely important (Aarnikoivu 2005, 50). When a company is looking for a new partnership, the emphasis is on potential customers. While there is a question about post-purchase actions, the emphasis is on loyal and advocate customers. (Lahtinen & Isoviita 1999, 109.) The development of customer relationship is described below in figure 5.

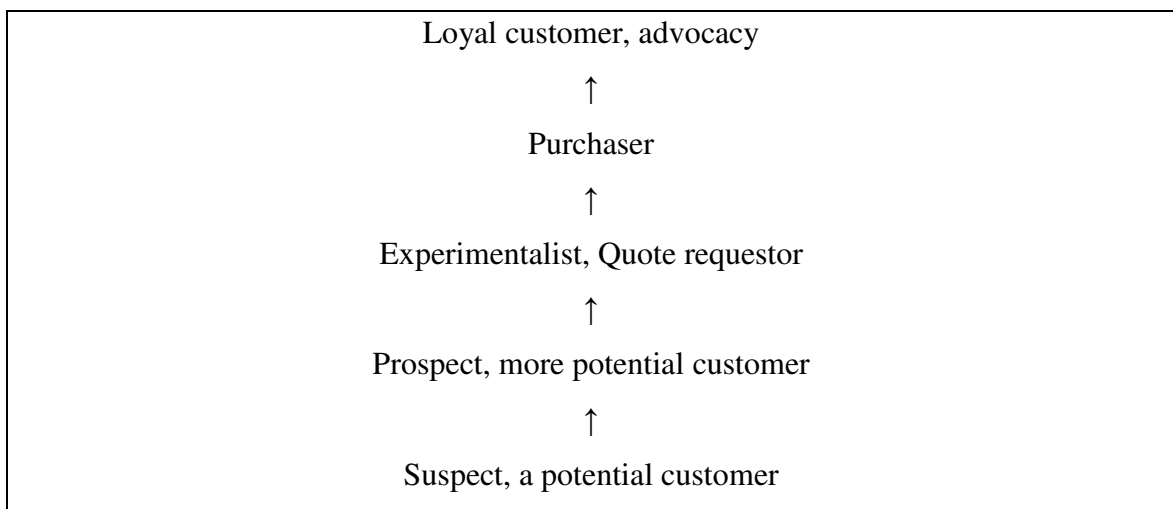


Figure 5. The development of customer relationship (Aarnikoivu 2005, 24)

Touchpoints exist during three different periods of customer relationship lifecycle (henceforth CRL). Pre-purchase, purchase, and post-purchase experiences include different touchpoints. Pre-purchase experience touchpoints influence whether a

customer or a potential customer considers purchasing from a company. (Davis & Longoria 2003, 1-3.) Awareness, knowledge, and consideration are the stages during the pre-purchase period of CRL (Intervox Group 2005, 5). The objectives of pre-purchase experience touchpoints include:

- 1) retaining current customers (loyalty)
- 2) heightening brand awareness (differentiation from competitors)
- 3) shaping brand perceptions and expectations (the benefits of a brand)
- 4) driving brand relevance (recognizing the value a brand brings)
- 5) driving brand consideration. (Davis & Longoria 2003, 2-3.)

Purchase experience touchpoints focus on to move a customer from considering to purchasing (Davis & Longoria 2003, 2). The stage during this period is called selection/trial (Intervox Group 2005, 5). For example packaging, price, and possible extra services include in this period. The objectives of these touchpoints include instilling confidence, i.e. maximizing the value, and delivering value, i.e. price-value relationship. A company needs to prove to a prospect that company's offering is better than competitors' and that prospect will get the value he is expecting. (Davis & Longoria 2003, 2-3.)

Post-purchase experience stages are satisfaction, loyalty, and advocacy (Intervox Group 2005, 5). All interactions that are leveraged after sales to help maximize the total brand experience include in this segment. For example, customer satisfaction surveys, a company's web sites, and loyalty programs are the touchpoints of post-purchase experiences. The objective of this period is to deliver a company's brand promise to meet or exceed customers' expectations and seek new ways to delight customers, and increase a brand loyalty and advocacy. The post-purchase experience is the most under-leveraged period. Therefore it provides a great opportunity to differentiate from competitors. (Davis & Longoria 2003, 2-3.) Each period has its own important mission in CRL and none of those periods should be ignored. The better a company success during every period the more benefits it is able to gain.

The following two figures illustrate the CRL and different interactions during each period. They differ from each other but together the figures give an idea how important

it is to understand the purpose of this lifecycle as an entity and different steps of it during the process as well. Figure 6 depicts the seven different stages of the CRL. The figure shows that customer loyalty and advocacy are possible to gain during post-purchase period.



Figure 6. Stages of the Customer Relationship Lifecycle (Intervox 2005, 5)

Figure 7 shows different touchpoints during CRL. According to this wheel, customer service is in a significant role during the post-purchase period. Customer service is a key touchpoint when gaining customer advocacy.



Figure 7. Brand Touchpoint Wheel (Davis & Longoria 2003, 3)

3.3 Customer Loyalty and Advocacy

Customer satisfaction is not enough: a satisfied customer has relatively neutral experiences about a company's touchpoints and he can buy from a competitor as well. Loyalty is the key for success. Being loyal, a customer has very positive feeling about a company and he proactively refers someone to a company. A loyal customer has great experiences - he feels that he has got excellent quality of service in the most critical touchpoints during his CRL with a company. (Intervox Group 2005, 10.) A customer's buying behavior depends on his experiences of a company's touchpoints.

Loyalty considers not only customers being loyal to a company but a company being loyal to customers as well. Loyalty is earned by being loyal first. (Smith & Wheeler 2002, 27.) Customer experience should be created so distinctive and so valuable that it goes beyond satisfaction and even individual loyalty. The objective is an advocate customer since he buys everything from one company and encourages others to buy from the company as well. An advocate talks about the company and does marketing for the company, and brings customers to the company. (Smith & Wheeler 2002, 42.) Loyalty must be designed and created. Loyalty is intentional, consistent, and different, and it creates value (Smith & Wheeler 2002, 43). The success in loyalty design is a result of three steps:

- 1) define customer values
- 2) design the branded customer experience
- 3) equip people and deliver consistently. (Smith & Wheeler 2002, 43.)

First, the values that drive buying and loyalty behavior should be determined and create a differentiating brand promise on the basis of the values (step 1). Next, a strategy to implement a new customer experience which consists of critical touchpoints and employee behaviors needs to be developed in order to deliver the brand promise (step 2). Thirdly, managers and employees need to be equipped with necessary knowledge, skills, and tools in order to managers and employees being able to deliver company's brand promise at every touchpoint during CRL (step 3). (Smith & Wheeler 2002, 43.)

To be able to provide a customer experience which creates loyalty and advocacy, employees who are in contact with the customers, should be motivated, well-trained,

and loyal to the employer company. Otherwise the customer promise cannot be fulfilled. In order to deliver a branded customer experience, employees should be involved in three faculties: the head, i.e. employees must know what customers expect and what these expectations require from them; the heart, i.e. employees must want to provide that experience on a continuing basis; and the hands, i.e. employees must be able to deliver the experience both in terms of skills and empowerment. (Smith & Wheeler 2002, 60-61.) All these faculties should exist. One or two of them is not enough but the desired outcome can be reached only with all three faculties.

The importance of employee loyalty is also presented by Hiebeler, Kelly, and Ketteman (1998, 224): employee loyalty is the most important factor of a company's success. Loyalty at work creates customer loyalty. Loyalty at work colors the way people feel about an organization. A good reputation is important. A company, who looks after its personnel, has a name that would look good on a résumé, and is to be trusted, attracts the best employees. When a company provides a high-quality experience to its customers, it also becomes more attractive to the prospective employees. (Smith & Wheeler 2002, 32-35.) The service quality the employees provide is critical, since it creates the basis for permanent and continuous customer loyalty.

Advocacy is the key for revenue growth. Advocacy is genuine, deeply felt loyalty. Advocate customers are not only loyal to a company but they would argue for it. That kind of high level of loyalty describes highly valuable customers. To be able to create advocacy, a company should create a differentiated experience in order customers to become a company's best salespeople. Loyalty makes the difference. (Smith & Wheeler 2002, 32-36.) The more loyalty is provided the more loyalty will be gained. How to gain that kind of customer loyalty? How to be sure what customers' feelings about a company are? Touchpoint management is an efficient tool to cultivate customer loyalty since it defines the touchpoints that are the most significant for customer's deepest loyalty: advocacy. Touchpoint management is fast way to research customers' experiences. Touchpoint management provides a company a possibility for immediate actions. By knowing customers' feelings about the most critical touchpoints between a company and its customers, and between customers and a company's competitors, it will be known, how a company is seen from the point of view of customers and what to

improve to be able to reach increasingly customer loyalty. By improving the quality of the most critical touchpoints, customer loyalty and advocacy can be reached.

According to Smith and Wheeler (2002, 101), the following importance was ranked when considering different attributes that drive customer experience into loyalty:

1. people
2. product and service delivery
3. place (convenience)
4. product features
5. price
6. policies and procedures
7. promotion and advertising

The most important attribute is people, i.e. the persons customers are in contact with. (Smith & Wheeler 2002, 101.) This is an extremely clear message of the purpose of good personnel: customers' good experiences about a company's employees create customer loyalty.

Companies that are able to deliver their brand promise through their employees gain benefits that directly impact in customer loyalty, market share, and profitability. Employer's responsibility is to train its employees to be able to deliver positive experiences to customers. (Smith & Wheeler 2002, 102-106.) The causes of internal marketing are important to understand when equipping new employees. The causes are presented in figure 8.

- | |
|---|
| <ol style="list-style-type: none"> 1) Hire good employees to do customer service in the company 2) Keep good employees in the company 3) Motivate employees to service customers well and in customer oriented way 4) Motivate employees to do marketing of all products/services of the company. |
|---|

Figure 8. The causes of internal marketing (Lahtinen & Isoviita 1999, 92)

The objectives of internal marketing are significant, as the following figure 9 represents.

- 1) To get all personnel to internalize the service philosophy and views of the top management
 - 2) To create encouraging and open atmosphere
 - 3) To encourage the personnel to see different things from the quality point of view
 - 4) To eliminate “that do not belong to me” –thinking
 - 5) To develop person-oriented culture of management
 - 6) To learn to value the difference of people: everyone’s contribution is as valuable as the others’
- ➔ Superior gets the personnel he deserves.

Figure 9. The objectives of internal marketing (Lahtinen & Isoviita 1999, 93)

To be able to provide an open, motivated, and encouraging atmosphere and person-oriented culture in a company, top management should understand the requisitions of internal marketing as well. The requisitions of internal marketing are described in the following figure 10.

- 1) Study the current situation of internal atmosphere and job satisfaction
- 2) Share the results openly and consider together what is wrong and what is working well
- 3) Set up new goals
- 4) Create an action plan of internal marketing together with personnel
- 5) Assure that top management is engaged to internal marketing.

Figure 10. The requisitions of internal marketing (Lahtinen & Isoviita 1999, 94)

By empowering employees, a leader does not decrease his power but he increases it instead, especially if the whole organization performs better than before. People should not be behind the efficiency and productivity since, not having enough employees; these attributes are not realistic to gain. (Crainer 1998, 109-110.)

3.4 Brand Value

Brand value is important for a company's success. Brand value consists of the perceptions of customers. To be able to provide continuous brand value, a company needs to provide a customer experience that is permanently valuable. (Smith & Wheeler 2002, 65.) Smith and Wheeler (2002, 46) emphasize, that the key to keep the best customers is to know them. To be able to provide continuously the brand value that customers' feel important, a company should know its customers. Otherwise decisions are only based on assumptions, which can lead to unwanted results. Delivering promises to customers is important: what is promised should be fulfilled. Delivering the promises from a company to a customer is rarer than is imagined (Smith & Wheeler 2002, 11). Therefore being trustworthy can differentiate a company from its competitors and be a positive reason for customers' purchase behavior.

Customer engagement to a company is depended on a brand. A brand includes repeated interactions, touchpoints, which strengthen the emotional, psychological, or physical investments a customer has in a brand (Patterson 2010, 2). Because value is experienced differently during purchasing than during use, the value of production should be analyzed in different stages: customer meeting stage, level of customer, and ensemble stage. Customer meeting stage realizes during purchasing, while level of customer concerns post-purchasing stage. During ensemble stage a customer needs to understand how well the partnership supports his goals. (Storbacka & Sivula & Kaario 2000, 22-23.) The point of view of value's different stages during purchasing and use has been taken into account in this thesis by dividing the touchpoints in three categories during the CRL.

Branded product experience brings product and service together in order to create a real value for customers. A customer does not only buy a product from a company but the service which is provided with the product creates an entity of experience. (Smith & Wheeler 2002, 150.) The brand promises a company gives to its customers are important to be kept. The worst scenario is that something is promised but not fulfilled. According to Smith and Wheeler (2002, 167), building long-lasting customer relationships requires appreciation of two insights. First, human relationships are the most effective models to create durable commercial relationships. Being reliable, trustworthy, and being there

when needed is as important in business relationships as in relationships between individuals. Also Hiebeler, Kelly, and Ketteman (1998, 226) compare a strong business partnership to the best relationships, like marriages: the communication should be open, clear, purposeful, and based on trust. Secondly, there is a need to focus on the most valuable customers. The best quality of service should be provided to all of customers but a company cannot concentrate on every one of them as a best friend – a company needs to have a special focus only on the most significant customers. (Smith & Wheeler 2002, 167.) As a conclusion, a brand is more than a promise: it is a relationship, a living thing (Smith & Wheeler 2002, 169).

3.5 Touchpoint Mapping

The most influential indicator related to driving loyalty is customer emotion (Reynolds 2011). Touchpoint mapping, which investigates this certain indicator, is in a central role in this thesis. The theory of touchpoint mapping is based on Intervox Group's theory (2005) but other theories are combined with Intervox Group's theory in order to make the theory an increasingly comprehensive tool. A customer experience map is created to chart customer experience from the beginning to the end of a purchasing process. The map considers all touchpoints during CRL. Customer experience map tells a story of a company as the way a customer experiences it. (Reynolds 2011.) The main idea of touchpoint mapping is to achieve a deep understanding of specific customer needs in each stage of customers' relationships with ALSO's HP team and compare the findings to ALSO's competitors. Touchpoint mapping focuses on optimizing customer touchpoints to improve customer experiences and relationships. As a result, ALSO is able to motivate customer loyalty and advocacy among its current customers. (Intervox Group 2005, 3-4.)

Touchpoint mapping is based on three principles:

- 1) The customer relationship lifecycle (CRL)
- 2) Touchpoints
- 3) Customer needs, levers and values

As it was discussed in chapter 3.2, there are seven different stages of CRL: awareness, knowledge, consideration, selection/trial, satisfaction, loyalty, and advocacy. A customer is facing these different functions during different periods of CRL. Awareness, knowledge, and consideration are pre-purchase functions, while selection/trial externalize at a purchase stage. Customer satisfaction, loyalty, and advocacy are possible to gain during a post-purchase stage. (Intervox Group 2005, 5.) To be able to create an inclusive questionnaire of the most significant touchpoints, touchpoints during the entire CRL are important to include into a questionnaire.

Secondly, everything and everyone who a customer comes in a contact with while dealing with ALSO's HP team, is a touchpoint. Telephone, internet, email, delivery channels, and customer meetings are examples of different touchpoints. (Intervox Group 2005, 6.) Since ALSO's customers are in contact with different persons at ALSO, whether they need to negotiate about invoicing, special pricing, or delivery times, to include all different touchpoints during the CRL in the research is significant – not only the touchpoints of the core HP team.

Thirdly, not only understand customers' needs but levers which motivate customers to advance to subsequent CRL stages, is important. Levers can be actions, factors, emotions, perceptions, or touchpoints. Values for customers are important to know: which touchpoints customers value the most, and how employees perceive the value of a touchpoint to the customers? Understanding needs, levers, and value ALSO is able to maximize the benefits of customer by touchpoint management efforts. (Intervox Group 2005, 6.)

There are four powerful results of touchpoint mapping:

- 1) **Align tactics with strategies to meet goals and objectives.** Through touchpoint mapping ALSO is able to see how the touchpoints meet or fail to meet the needs of its customers during each CRL stage.
- 2) **Re-engineer policies and processes to ensure a customer focus that benefits employees.** Processes and policies that are not customer-oriented can

negatively impact in customer-related objectives and therefore deflate the motivation of good employees causing employee turnover. Employee turnover can be avoided through touchpoint mapping.

- 3) **Enhance touchpoints outside of sales, marketing, and customer service to improve customer perceptions.** ALSO begin to realize the ways its customers come in contact with the company as a whole. This can positively impact in operations, accounting, and human resources.
- 4) **Apply touchpoint mapping to improve “Return on service” by individual touchpoints.** One of the most relevant effects is that touchpoint mapping can be used in the application of marketing return on investment (MROI) procedures. This includes a possibility to establish and measure cause and effect at a single touchpoint level. Touchpoint mapping provides ALSO insights into appropriate allocation of marketing, sales, and all touchpoint resources. (Intervox Group 2005, 8-12.)

These four effects can be applied to two critical key areas of successful business: getting (potential) customers to purchase ALSO's products and services, and motivating those who have already purchased from ALSO to become loyal. Often the loyalty leader is the profitability leader as well. As a result of touchpoint mapping, ALSO has specific action items that will improve its ability to motivate customers to loyalty and advocacy, since touchpoint mapping is a commitment of improving the quality and profitability of key relationships. (Intervox Group 2005, 8-12.)

Touchpoint mapping reveals which touchpoints are the most critical for a company. Touchpoint mapping supports a company for improvement and it provides an important boost to creative implementations. These interactions can strengthen a brand since as a result of touchpoint mapping can be created a hard-to-imitate, brand-typical client experience. (Spengler 2008.) Touchpoint mapping shows whether a company has concentrated on right touchpoints and if the attention to each touchpoint has been enough.

Several studies have proved that customers' emotional experiences have much larger impact in customers' perception of a company's brand and brand's value than any

functional experience. Both emotional and functional aspects should be considered in order to understand the entire picture of customers' experiences and to be able to make right decisions to drive business results and improve customer loyalty. (Reynolds 2011.) Touchpoint mapping is an important tool since it is the only way to study customers' emotional experience.

To improve the quality of touchpoints, a company should think how it can guarantee the best quality of its touchpoints. First, there should be defined who in a company is responsible of each critical touchpoints. If employee A is responsible of invoicing, employee B of marketing, and employee C of logistics, how it can be assured that these employees do their best to provide the best quality of service? Employee loyalty is the key: the more loyal employees a company has, the more customer loyalty a company is able to gain. (Smith & Wheeler 2002, 32-36.) A company needs to be sure that it can fulfill all the promises it makes (Smith & Wheeler 2002, 11). Employees need to be motivated and they should have a possibility for innovativeness in their tasks, since employee loyalty creates customer loyalty. The better service qualities employees are able to provide to customers, the more satisfied customers are. The benefits of employee loyalty are remarkable: the more loyal customers a company has, the more market share and revenue it gains. Motivated personnel is the most important resource of the company. (Smith & Wheeler 2002, 32-36.)

After decision of which touchpoints will be studied and after the results of customers' experiences of these touchpoints are received, the most critical touchpoints from the customers' point of view are known. Touchpoint mapping shows what touchpoints should be improved as well. An action plan, which suggests how to implement these improvements in practice, should be created after the results of the research are known. (Ellet 2007, 116.) How a company could train its employees to be more motivated? How a company is able to ensure that its employees provide the best customer service quality? The quality of a company's brand is created by employees. The management of a company is responsible to provide sufficient tools for employees in order employees to be able to provide the best possible customer service.

4 ALSO FINLAND LTD

The case company and the case team of the thesis are presented in this chapter. The business philosophy and the company's principles are discussed in this chapter. The competitive environment of the company is defined and ALSO's current system to research its competitive environment is described as well.

In compliance with the case company's instructions, this chapter is regarded as confidential information. Deriving from this requirement, this chapter is not published through the Library databases of Kemi-Tornio University of Applied Sciences.

5 IMPLEMENTATION OF THE RESEARCH PROCESS

In this chapter the implemented research process is described and the results of the research are presented and analyzed. An online survey about the most critical touchpoints was implemented. On the basis of the results of the research, both short-term and long-term action plans were created and introduced. The action plans were created on the basis of the findings of the survey and the theory of this thesis.

The complete research process is regarded as confidential information. Therefore this chapter is not made public through the databases of Kemi-Tornio University of Applied Sciences.

6 CONCLUSIONS

In this chapter I summarize in general the conclusions of this research. As the research was classified as confidential, the findings are not published through the databases of Kemi-Tornio University of Applied Sciences.

The research about the most critical touchpoints between ALSO's HP team and its customers was implemented as an online survey. Through the research was desired to gain realistic knowledge about the reasons for the customers' buying behavior. The core competence of the HP team was desired to be found. The objective of this research is not only to concentrate on the current state but to provide a permanent solution for the company in a long run. To know the touchpoints which need to be improved in order to meet customers' expectations more comprehensively than the competitor was the objective that was desired to be gained through this research. Since the chapters 4 and 5 are classified as confidential, the more detailed analysis of the results is not published through the databases of Kemi-Tornio University of Applied Sciences.

The action plans provide ALSO's HP team innovative new channels to improve its most critical touchpoints. The action plans provide a good possibility for the company to improve other teams' services as well. The thesis and its findings indicate that even though ALSO is a clear market leader in the domestic markets there are always possibilities to differentiate from competitors. ALSO's HP team is now aware of its core competence and the reasons why the customers purchase from ALSO. As there was discussed in the previous chapters, a link between customer experience and financial success of a company exists. This thesis supports ALSO to develop its customer service to be a real competitive factor.

The outcome of the research presented which are the touchpoints that need be most urgently improved. To develop the most negatively experienced touchpoints is important. The most positively experienced touchpoints are important to be improved as well in order to increase competitiveness. The short-term action plan provides a rapid solution for the most urgent improvements. The long-term action plan supports the short-term action plan but provides a permanent and continuous solution to ALSO as

well. To be able to provide continuous brand value, ALSO is recommended to provide customer experience that is permanently valuable.

To know the reasons for customers' purchasing behavior is very significant knowledge for any company. For a large company like ALSO the findings of this research are critical and the findings are important to be taken seriously. The company operates in hectic markets with small coverage. Differentiation is significant because the basic competition with product ranges and price levels is not enough. Sometimes a customer is even ready to pay more if the service quality is valuable to him.

Through the action plans the team is able to gain the most important customer relationship level: customer loyalty and advocacy. Loyal and even advocate customers are the ones who create a successful business. The thesis increases the amount of advocate customers by providing ALSO an action plan which provides a possibility for the company to differentiate from its competitors. This research presents the most critical touchpoints of the HP team but its findings and action plans are applicable in other teams as well. Everyone in the company is responsible to deliver valuable customer experience. In ALSO the changes are recommendable to be implemented in every team because teams work intensively with each other. The best results can be reached by exclusive strategy that concerns everyone. Customer experience and customer engagement are the core competencies that ALSO is recommendable to cultivate.

To put more effort into the post-purchase touchpoints is significant. This research proves that touchpoint mapping is an efficient tool to get significant knowledge about customers' experience of the most critical touchpoints. Since touchpoint mapping is an efficient tool to investigate customer experiences, to use it regularly in the future is recommended. Touchpoint mapping is a commitment in improving the quality and profitability of the key relationships. Touchpoint mapping provides almost immediately useful knowledge to use and touchpoint mapping enables ALSO to make rapid improvements and changes. Touchpoint mapping provides an innovative possibility to differentiate from competitors since it provides knowledge that the competitor most

likely does not have. The more ALSO utilizes touchpoint mapping the more benefits the company is able to gain.

Between the success in competition and customers' experiences exists a causal relationship. The more satisfied the customers are the better ALSO benefits. Business intelligence of a company is in a key role: a company needs to be able to differentiate from its competitors and pay attention to the right functions. Even though ALSO is a clear market leader in wholesaling of HP products in Finland, the business environment is important to be examined regularly through touchpoint mapping since touchpoint mapping is the only way to know the reasons for the customers' buying behaviour.

The suggested action plans of this thesis are not implemented so far. Both short-term and long-term action plans were created on the basis of the results of the research. I have created a shortened version of the thesis in Finnish to ALSO. The objective of the short version of the thesis is to support ALSO's managers to read the most important findings and suggestions of the research. ALSO's management makes the decision whether and in what form the company implements the suggestions.

As a result of the thesis can be stated, that ALSO should differentiate its touchpoints to become increasingly competitive. As a result, ALSO is able to motivate customer loyalty and advocacy among its current customers. The most critical touchpoints should be improved in order to reach increasingly valuable results, i.e. larger market share, bigger turnover, and stable position in the markets. Customer experience is significant information for the company. Customer experience should not be ignored since the information about customers' experiences provides an innovative and valuable channel for the company to gain more business success. I hope my thesis is useful for ALSO. At least I have learned a lot about the importance of customer experience during this interesting research process.

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